**WHAT IS THE TRUE COST OF HIRING A NEW EMPLOYEE IN AUSTRALIA?**

Recruitment an employee is one of the most important elements to consider when setting up a business in Australia. If you are a business owner you must have to pick a suitable employee who can help enable organizational growth and take your business to the next level. After all, successful businesses put their people first.

With a population of over 25 million and 14 million jobs in Australia as of September 2018, Australia’s employment market is very competitive. There are so many factors you will need to check to calculate the true cost of hiring your new employee in AUSTRALIA. So, business companies have to keep in mind that hiring a new employee at AUSTRALIA costs more than just their salary.

Some tricks you have to follow the employee recruitment process in Australia.

**1. Recruitment costs:**

Companies need to choose the right person for their business. In Australia, you can hire employees in two ways. Either you can advert on a Newspaper or advert on Job website. If your advert in Newspaper it will cost you $450.00 per week. If your advert on Job website it will cost you $280.00 per week.

**2. Salary:**

It is the most important factor for a business company. Companies want to pay enough to get the best possible talent. On the other hand, they don't want to overpay. So, you have to smart enough to set the salary for the employee. One thing must Remember at the end of the day, a salary is like any business expense--it's an investment, and you should get a return of it. So, you can begin by deciding the top amount you'd be willing to pay. The minimum salary is 2,300 Euros per month in Australia. The average wage in Australia is $1,500 per week, as said by the Australian Bureau of Statistics, a sort of Australian ISTAT.

**3. Training:**

Companies offer an additional training program for the improvement of their employees. But companies must have to keep in mind that “Training Doesn’t Have To Be Draining”. There are so many companies which become fail in their training process. According to the Association for Talent Development’s 2014 State of the Industry Report, companies spend an average of $1,208 per employee on training and development.

It is important to consider the training needs of your mature-age workers.

**4. Bonuses:**

Most of the companies give bonuses to their employees for their good work activity. the general expectation is that a bonus will be somewhere between 6% and 10% of their yearly pay in Australia. But bonus calculations differ based on industry and level of seniority; some industries such as IT, Mining and Construction have higher risks and potential for huge profits, so they have higher wages and bonus structures too.

**5. Extra Costs:**

As an owner of a company, you must pay your employees at the correct rate, as well as any entitlements they are eligible for. This includes parental leave, sick leave or overtime rates. Those extra costs will be somewhere between 3%-5% of their yearly salary.

**6. Office space and equipment Costs:**

If you hire new employees than you have to pay the equipment costs also. In Australia, this cost differs from one company to another.

 Businesses with one to four employees spent $77 to $92 per employee monthly;

 Businesses with 40 employees spent $45 to $53 per employee monthly; and

 Businesses with over 200 employees spent $27 to $32 per employee monthly on office supplies.

**7. Total Cost:**

after calculating all these costs, you have to pay the employer approximately 1.5 times the employee's salary or wages. If you hire an employee with $40000, your expanse will be near way $60000 for this employee.